

OVERSIGHT COMMITTEE
AUBURN SUCCESSOR AGENCY (Former Auburn Urban Development Authority)

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT THE OVERSIGHT COMMITTEE FOR THE AUBURN
SUCCESSOR AGENCY WILL HOLD A MEETING

TIME 5:15 P.M., TUESDAY, SEPTEMBER 24, 2013

ROSE ROOM
AUBURN CITY HALL
1225 LINCOLN WAY, AUBURN CALIFORNIA

For information contact the Auburn City Clerk Telephone: (530) 823-4211 Extension 112 – Fax:
(530) 885-5508

The Oversight Committee welcomes you to its meeting. Your interest is encouraged and appreciated. The Rose Room is wheelchair accessible and listening devices are available. Other special accommodations may be requested to the City Clerk 72 hours in advance of the meeting. Action may be taken on any item on the agenda. Please turn off all cell phones or similar devices. Staff reports and background information related to regular agenda items are available at City of Auburn City Hall, 1225 Lincoln Way, Auburn, CA 95603. Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection in the City Clerk's Office, 1225 Lincoln Way, Room 8, Auburn, CA 95603 during normal business hours.

AGENDA

A. CALL TO ORDER (City Clerk)

PLEDGE OF ALLEGIANCE

ROLL CALL

B. AGENDA APPROVAL

The Oversight Committee reserves the right to hear items in a different order in order to accomplish business in the most efficient manner.

C. APPROVAL OF MINUTES

1. Approval of Draft Minutes from Regular Meeting of Oversight Committee meeting of February 27, 2013.

Recommendation: Approval of Minutes from the Regular Meeting of the Oversight Committee for the Auburn Successor Agency of February 27, 2013.

D. PUBLIC COMMENT-There is a time limitation of three minutes per person. For any item that are not on the agenda and within the jurisdiction or interest of the Oversight Committee, please come to the podium at this time. If you wish to speak regarding a

scheduled agenda item, please come to the podium when the item number and subject matter are announced. When recognized, please begin by providing your name and address for the record (optional). Anyone wishing to submit written information at the meeting needs to furnish ten (10) copies to the City Clerk in advance to allow for distribution to the Oversight Committee, staff and media.

E. ADMINISTRATIVE

2. Approval of Recognized Obligation Payment Schedule (ROPS 13/14B) for the period January 1, 2014 – June 30, 2014.
3. Approval of Administrative Budget for ROPS 13/14B

Recommendation: Approve by Resolution the Recognized Obligation Payment Schedule (ROPS 13/14B) for the Auburn Successor Agency for the period of January 1, 2014 through June 30, 2014 and Successor Agency Administrative Budget pursuant to Health and Safety Code Section 34177 and authorize the filing of the ROPS with the State Department of Finance, Placer County Auditor and posting on the City of Auburn website.

4. Set next meeting date and time

F. ADJOURN

**Oversight Committee
Auburn Successor Agency (former AUDA)
February 27, 2013
REGULAR MEETING**

CALL TO ORDER

Chair Keith Nesbitt called the meeting to order at 5:15 p.m.

PLEDGE OF ALLEGIANCE**ROLL CALL:**

Committee Members Present: Keith Nesbitt, Andy Heath, Curt Smith, Ron Martinez, Jerry Johnson, Jennifer Montgomery

Committee Members Absent: Randy Swisley

AGENDA APPROVAL

The agenda was approved as presented by consensus of the Committee.

Approval of Minutes

By MOTION, approve the minutes of 1/9/2013.

MOTION: Smith/ Montgomery / Unanimously approved.

Public Comment:

None

Administrative:

1. **Approval of Recognized Obligation Payment Schedule (ROPS 13-14A) for the period July 1, 2013 through December 31, 2013.**

Andy Heath presented this item. He presented a memo to the committee that clarified the certification language change (ROPS13-14a). The summary of the recognized obligation payment schedule was reviewed. The committee discussed administrative fees/ staff costs.

By **RESOLUTION**, approve the Recognized Obligation Payment Schedule (ROPS 13-14A) for the Auburn Successor Agency for the period July 1, 2013 through December 31, 2013 pursuant to Health and Safety Code Section 34177 and authorize filing of the ROPS with the State Department of Finance, Placer County Auditor and posting on the City of Auburn website.

MOTION: Martinez/ Smith/ Unanimously approved.

Andy Heath said the next meeting will take place in 30-40 days.

ADJOURNMENT

Chair Keith Nesbitt adjourned the meeting, without objection, at 5:35 p.m.

Minutes submitted by:

Amy M. Lind, Deputy City Clerk



Report to the Oversight Committee

Action Item
2
Agenda Item No.

City Manager Approval

To:	Honorable Members of the Oversight Committee for the Successor Agency to the Dissolved Auburn Urban Development Authority
From:	Robert Richardson, City Manager Megan Siren, Administrative Analyst
Date:	September 24, 2013
Subject:	Consideration of approving and adopting an update of the Recognized Obligation Payment Schedule pursuant to Health and Safety Code Section 34177

The Issue

Shall the Oversight Committee approve the Successor Agency's Recognized Obligation Payment Schedule pursuant to Health and Safety Code Section 34177?

Conclusion and Recommendation

It is recommended that the Oversight Committee, approve by RESOLUTION and update to the Recognized Obligation Payment Schedule (ROPS 13-14B) and Successor Agency Administrative Budget pursuant to Health and Safety Code Section 34177.

Background

One of the primary functions of the Oversight Board is to approve the Recognized Obligation Schedule (ROPS). The ROPS represents the payment schedule for the former Auburn Urban Development Authority's (AUDA) obligations and includes operating costs to carry out these obligations and related activities of the Successor Agency. The Successor Agency, and subsequently the Oversight Committee are required to have a ROPS adopted and distributed to required parties by October 1, 2013. The Successor Agency approved the ROPS on September 9, 2013.

The ROPS covers the time frame from January 1, 2014 through June 30, 2014 (ROPS 13-14B). A Committee approved ROPS is due to be submitted to the State and County Auditor by October 1, 2013. There are three basic issues to consider in reviewing the ROPS. The first is securing required reserves for debt service payments to ensure compliance with Bond Covenants. Second, is meeting other debt obligations and third is funding the operating costs. The ROPS includes both contractual obligations and the administrative budget for the Successor Agency.

Analysis

The City elected to become the Successor Agency to AUDA by Resolution No. 12-03, dated January 9, 2012. (Pursuant to AB 1484, the Successor Agency is considered a separate legal entity from the City). One of the responsibilities of the Successor Agency is to prepare a Recognized Obligation Payment Schedule (ROPS), which sets forth the nature, amount, and source(s) of payment of all enforceable obligations of AUDA (as defined by law) to be paid by the Successor Agency after AUDA's dissolution, covering the forward-looking six month fiscal period. The enforceable

obligations listed in the ROPS may include the following: bonds, loans, legally required to be repaid pursuant to a payment schedule with mandatory repayment terms; payments required by the federal government, preexisting obligations to the state or obligations imposed by state law; judgments, settlements or binding arbitration decisions that bind the agency; legally binding and enforceable agreements or contracts; contracts or agreements necessary for the continued administration or operation of the agency, including agreements to purchase or rent office space, equipment and supplies; and amounts borrowed from or payments owing to the Low and Moderate Income Housing Fund of a redevelopment agency. However, the ROPS is to exclude pass-through payments to be made by the county after dissolution of ADUA and any agreements, contracts or arrangements between the City and AUDA, except any of the following agreements between the City and AUDA; (1) and written agreements between the City and AUDA entered into prior to December 31, 2010, solely for the purpose of securing or repaying indebtedness obligations to third parties; and (2) loan agreements entered into between the City and AUDA within two years of the date of creation of AUDA.

Pursuant to Health and Safety Code Section 34177(1)(2) as the Successor Agency, is required to prepare the ROPS covering the period from January 1, 2014 through June 30, 2014 by October 1, 2013. A copy of the ROPS is attached as Exhibit A. Once approved by the Successor Agency and subsequently the Oversight Committee, the ROPS is finally submitted to the County Auditor-Controller, the State Controller's office and the State Department of Finance, and posted on the City's website.

The Successor Agency, has prepared ROPS 13-14B covering the period from January 1, 2014 through June 30, 2014, which is attached to this staff report for consideration and approval by the Oversight Committee.

The Successor Agency is also required, pursuant to Health & Safety Code Section 34177(j) to submit for Oversight Board review an administrative budget detailing the anticipated administrative expenses of the Successor Agency for each ROPS period. The administrative budget covers the staffing costs of the wind-down process, including preparation of ROPS and monitoring of enforceable obligations, preparation for and staffing of Oversight Board meetings, legal expenses, preparation of any post-compliance documents, such as the Long-Range Property Management Plan, etc. The administrative budget for the ROPS 13/14B period is \$27,250; the breakdown is shown on Exhibit B.

Fiscal Impact

Staff costs associated with participation on the Oversight Committee are recoverable as part of the administrative cost allowance reference in Health and Safety Code Section 34171(b), which is detailed in the administrative budget attached as Exhibit B.

Attachments: Recognized Obligation Payment Schedule (ROPS) – 13-14B (Exhibit A)
Administrative Budget (Exhibit B)
Oversight Committee Resolution

EXHIBIT A

RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE (ROPS 13-14B)

Recognized Obligation Payment Schedule (ROPS 13-14B) - Summary

Filed for the January 1, 2014 through June 30, 2014 Period

Name of Successor Agency: Auburn
Name of County: Placer

Current Period Requested Funding for Outstanding Debt or Obligation		Six-Month Total
Enforceable Obligations Funded with Non-Redevelopment Property Tax Trust Fund (RPTTF) Funding		
A Sources (B+C+D):		\$ -
B Bond Proceeds Funding (ROPS Detail)		-
C Reserve Balance Funding (ROPS Detail)		-
D Other Funding (ROPS Detail)		-
E Enforceable Obligations Funded with RPTTF Funding (F+G):		\$ 442,197
F Non-Administrative Costs (ROPS Detail)		414,947
G Administrative Costs (ROPS Detail)		27,250
H Current Period Enforceable Obligations (A+E):		\$ 442,197

Successor Agency Self-Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
I Enforceable Obligations funded with RPTTF (E):		442,197
J Less Prior Period Adjustment (Report of Prior Period Adjustments Column U)		-
K Adjusted Current Period RPTTF Requested Funding (I-J)		\$ 442,197

County Auditor Controller Reported Prior Period Adjustment to Current Period RPTTF Requested Funding		
L Enforceable Obligations funded with RPTTF (E):		442,197
M Less Prior Period Adjustment (Report of Prior Period Adjustments Column AB)		-
N Adjusted Current Period RPTTF Requested Funding (L-M)		442,197

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code, I
hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

<u>Keith Nesbitt</u> Name /s/ Signature	Oversight Chairman Title Date
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Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Fund Balances

(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177(l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H	I	J	K
Fund Balance Information by ROPS Period		Fund Sources								Comments
		Bond Proceeds		Reserve Balance		Other	RPTTF		Total	
		Bonds Issued on or before 12/31/10	Bonds Issued on or after 01/01/11	Review balances retained for approved enforceable obligations	RPTTF balances retained for bond reserves	Rent, Grants, Interest, Etc.	Non-Admin	Admin		
ROPS III Actuals (01/01/13 - 6/30/13)										
1	Beginning Available Fund Balance (Actual 01/01/13) Note that for the RPTTF, 1 + 2 should tie to columns L and Q in the Report of Prior Period Adjustments (PPAs)	-	-	-	169,253				\$ 169,253	
2	Revenue/Income (Actual 06/30/13) Note that the RPTTF amounts should tie to the ROPS III distributions from the County Auditor-Controller	-	-	-		9,288	17,243	207,671	\$ 234,202	
3	Expenditures for ROPS III Enforceable Obligations (Actual 06/30/13) Note that for the RPTTF, 3 + 4 should tie to columns N and S in the Report of PPAs	-	-	-			46,605	207,671	\$ 254,276	
4	Retention of Available Fund Balance (Actual 06/30/13) Note that the Non-Admin RPTTF amount should only include the retention of reserves for debt service approved in ROPS III	-	-	-	169,253				\$ 169,253	This amount is retained for partial funding of \$339,000 Debt Service Reserve required for bonds
5	ROPS III RPTTF Prior Period Adjustment Note that the net Non-Admin and Admin RPTTF amounts should tie to columns O and T in the Report of PPAs.	No entry required					-	-	\$ -	
6	Ending Actual Available Fund Balance (1 + 2 - 3 - 4 - 5)	\$ -	\$ -	\$ -	\$ -	\$ 9,288	\$ (29,362)	\$ -	\$ (20,074)	
ROPS 13-14A Estimate (07/01/13 - 12/31/13)										
7	Beginning Available Fund Balance (Actual 07/01/13) (C, D, E, G, and I = 4 + 6, F = H4 + F6, and H = 5 + 6)	\$ -	\$ -	\$ -	\$ -	\$ 9,288	\$ (29,362)	\$ -	\$ 149,179	
8	Revenue/Income (Estimate 12/31/13) Note that the RPTTF amounts should tie to the ROPS 13-14A distributions from the County Auditor-Controller	-	-				159,556		\$ 159,556	
9	Expenditures for 13-14A Enforceable Obligations (Estimate 12/31/13)	-	-		-		329,948	54,000	\$ 383,948	
10	Retention of Available Fund Balance (Estimate 12/31/13) Note that the RPTTF amounts may include the retention of reserves for debt service approved in ROPS 13-14A	-	-		-				\$ -	
11	Ending Estimated Available Fund Balance (7 + 8 - 9 -10)	\$ -	\$ -	\$ -	\$ -	\$ 9,288	\$ (199,754)	\$ (54,000)	\$ (75,213)	

<p align="center">Recognized Obligation Payment Schedule (ROPS) 13-14B - ROPS Detail January 1, 2014 through June 30, 2014 (Report Amounts in Whole Dollars)</p>	

[illegible]

<p align="center">Recognized Obligation Payment Schedule (ROPS) 13-14B - Report of Prior Period Adjustments Reported for the ROPS III (January 1, 2013 through June 30, 2013) Period Pursuant to Health and Safety Code (HSC) section 34186 (a) (Report Amounts in Whole Dollars)</p>	
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<p>ROPS III Successor Agency (Self-reported prior Period Adjustments (PPA)): Pursuant to HSC Section 34186 (a), SAs are required to report the differences between their actual available funding and their actual expenditures for the ROPS III (July through December 2013) period. The amount of Redevelopment Property Tax Trust Fund (RPTTF) approved for the ROPS 13-14B (January through June 2014) period will be offset by the SA's self-reported ROPS III prior period adjustment. HSC Section 34186 (a) also specifies that the prior period adjustments self-reported by SAs are subject to audit by the county auditor-controller (CAC) and the State Controller.</p>	<p>ROPS III CAC PPA: To be completed by the CAC upon submittal of the ROPS 13-14B by the SA to Finance and the CAC</p>
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[illegible]

Recognized Obligation Payment Schedule 13-14B - Notes

January 1, 2014 through June 30, 2014

Item #	Notes/Comments

Exhibit "B"

SUCCESSOR AGENCY TO THE FORMER AUBURN URBAN DEVELOPMENT AUTHORITY
ADMINISTRATIVE BUDGET
JANUARY 1, 2014 - JUNE 30, 2014

Personnel (Salary and Benefits)		
Administrative Services Director	\$	9,965
City Manager	\$	9,510
		<u>\$ 19,475</u>
Operations and Maintenance		
Professional/Contractual Services	\$	7,775
		<u>\$ 7,775</u>
Total Administrative Budget		<u><u>\$ 27,250</u></u>

RESOLUTION NO. ____

A RESOLUTION OF THE OVERSIGHT COMMITTEE FOR THE SUCCESSOR
AGENCY TO THE DISSOLVED AUBURN URBAN DEVELOPMENT AUTHORITY,
APPROVING THE SUCCESSOR AGENCY'S RECOGNIZED OBLIGATION PAYMENT
SCHEDULE FOR THE PERIOD JANUARY 1, 2014 TO JUNE 30, 2014 AND
SUCCESSOR AGENCY ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND
SAFETY CODE SECTION 34177

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of
Auburn (Successor Agency) elected to become the successor agency to the
Auburn Urban Development Authority by Resolution No. 12-03 on January 9,
2012; and

WHEREAS, Health and Safety Code Section 34179(e) requires all actions by
the oversight board shall be adopted by resolution; and

WHEREAS, Health and Safety Code Section 34177(m)(1) requires that the
successor agency complete the Recognized Obligation Payment Schedule in the
manner provided by the Department of Finance; and

WHEREAS, Health and Safety Code Section 34177(j) requires the Successor
Agency to submit an administrative budget with each ROPS;

WHEREAS, Health and Safety Code Section 34177(m) requires the Successor
Agency to submit the ROPS (which includes the administrative budget) -to the
Successor Agency's oversight board for its approval, and upon such approval,
the Successor Agency is required to submit a copy of the approved ROPS
(Approved ROPS) to the Placer County Auditor-Controller, the California State
Controller, and the State of California Department of Finance, and post the
Approved ROPS on the Successor Agency's website no fewer than 90 days
before the date of the property tax distribution; and

WHEREAS, all other legal prerequisites to the adoption of the Resolution have
occurred.

1
2 NOW, THEREFORE, THE OVERSIGHT COMMITTEE FOR THE SUCCESSOR
3 AGENCY TO THE AUBURN URBAN DEVELOPMENT AUTHORITY, DOES HEREBY
4 RESOLVE AS FOLLOWS:

5 **Section 1. Recitals.** The Recitals set forth above are true and correct and are
6 incorporated into this Resolution by this reference.

7
8 **Section 2. CEQA Compliance.** The approval of the ROPS 13/14b and the
9 administrative budget through this Resolution does not commit the Successor
10 Agency to any action that may have a significant effect on the environment.
11 As a result, such action does not constitute a project subject to the
12 requirements of the California Environmental Quality Act.

13
14 **Section 3. Approval of ROPS.** The Oversight Committee hereby approves
15 the ROPS 13/14b for the January 1, 2014 through June 30, 2014 period, in
16 substantially the form attached to this Resolution as Exhibit A, as required by
17 Health and Safety Code Section 34177.

18
19 **Section 4. Approval of Administrative Budget.** The Oversight Committee
20 hereby approves the Administrative Budget, attached to this Resolution as
21 Exhibit B, and incorporated into the ROPS 13/14b.

22
23 **Section 5. Transmittal of Draft of the ROPS.** The City Manager for the
24 City of Auburn as Successor Agency is hereby authorized and directed to take
25 any action necessary to carry out the Approved ROPS, including submitting the
26 Approved ROPS to the Placer County Auditor-Controller, the California State
27 Controller, and State of California Department of Finance and posting the
28 Approved ROPS on the Successor Agency's website.

Section 6. Effectiveness. Pursuant to Health and Safety Code Section 34179(h), this Resolution shall take effect five business days after its adoption, unless review is requested by the Department of Finance.

PASSED, APPROVED AND ADOPTED this 24th day of September, 2013 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Chairperson

ATTEST:

City Clerk